Refinery to ONGC or any other organization;

(b) whether Government are bringing down its share to 15 per cent;

(c) the reasons for Government not allowing ONGC to bid for HPCL; and

(d) whether it is a fact that large number of people bid for HPCL, so that Government gets better price for HPCL sale?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) Government have decided that implementation of the Bhatinda Refinery be left to the new management of HPCL post-disinvestment or Ministry of Petroleum and Natural Gas may take up its implementation through ONGC or any other agency so that the project is completed.

(b) Government have decided to bring down its equity share In HPCL to 12%.

(c) Government has decided in September, 2002 not to allow one Public Sector Undertaking (PSU) to bid for another PSU as a matter of policy as this does not meet the objective of disinvestment. Accordingly, ONGC has not been permitted to bid for HPCL.

(d) Bidding process for HPCL is still underway. Government would like to have a keen competition amongst the bidders to get a good price through strategic sale.

Oil Exploration Projects with Iran

719. SHRI K. RAMA MOHANA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that ONGC Videsh, IOC and Oil India have signed an agreement with Iran for exploration and production sharing contract with the National Iranian Oil Company for the Fansi oil fields in Iran; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) A consortium of Indian companies, namely, ONGC-Videsh Limited (OVL),

Indian Oil Corporation Limited (IOC) and Oil India Limited (OIL) signed an Exploration Service Contract with National Iranian Oil Company (NIOC) on 25.12.2002 for the Farsi offshore Block in Iran.The participating interest of three consortium members OVL, IOC and OIL is 40%, 40% and 20% respectively. The projected investment by the consortium in the Block is of the order of US $ 38 million (Rs. 186 crore approximately) and the initial works for exploration of the block have already started.

Oil reserves in east coast

720. SHRI K. RAHMAN KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Director-General of Hydrocarbons has recently revealed that the east coast will be the country's future Oil and Gas bowl with a potential of supplying upto 7 billion tonnes of Oil and Oil equivalents as reported in The Times of India of 7th January, 2003; and

(b) if so, what are the details in this regard and the steps taken to tap the oil reserves?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) As per the recent studies carried out by Directorate General of Hydrocarbons (DGH), resources for the East Coast have been estimated at about 7 billion tonnes of oil and oil equivalent of gas. However, only a part of these resources would get converted into inplace reserves through systematic exploration. Government has taken several steps to accelerate exploration of oil and gas in the country including in East coast offshore. Government have signed contracts for 70 blocks including 30 blocks in the East coast offshore for exploration of oil and gas under the first three rounds of New Exploration Licensing Policy (NELP). In addition, exploration works are also being carried out by ONGC in Petroleum Exploration Licenses (PELs) granted to them on nomination basis as well contracts signed prior to NELP in East coast to assess hydrocarbon potential. Oil and gas are already being produced from East coast offshore areas.

LPG bottling plant at Rajahmundry in A.P.

721. SHRI C. RAMACHANDRAIAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state: